

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6352**

**BILL NUMBER:** HB 1017

**NOTE PREPARED:** Nov 21, 2006

**BILL AMENDED:**

**SUBJECT:** Well Water Testing and Operator Costs.

**FIRST AUTHOR:** Rep. Pelath

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the Department of Environmental Management (IDEM) to pay certain costs of well water testing and operator services incurred by a nontransient, noncommunity water system operated by a nonprofit entity that serves abused and neglected children. The bill appropriates money to make the payments.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** IDEM must pay the costs of well water testing if testing is required by state and/or federal law and if costs are incurred after June 30, 2007, by a nontransient, noncommunity water system operated by a nonprofit entity that cares for abused and neglected children. IDEM must also pay for testing of water from a well operated by the entity as part of the system. Costs include services of a certified operator of water treatment plants or water distribution systems. IDEM must establish a procedure by which an eligible entity may apply to IDEM for payments.

At least one facility, in Mishawaka, may be eligible for the testing. Costs for testing will depend on the initial results of the test. For example, if copper is found in the water, IDEM would conduct additional testing to see if the presence of copper is pervasive. The facility may need to discontinue or adjust water treatment designed to soften the water which could cause copper pipes to leach. Quarterly follow-up tests would be required to see if the adjustment in the treatment has reduced or eliminated the presence of copper in the water. If the initial tests indicate that the water meets standards, only an annual test would be required. The impact on IDEM is indeterminable, but would depend on the number of facilities that would be eligible for the free testing and the costs of the tests.

*Appropriation:* The bill annually appropriates to IDEM from money not otherwise appropriated in the state General Fund an amount sufficient to make the payments. The specific appropriation that would be required is indeterminable.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** IDEM

**Local Agencies Affected:**

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